

Housing Affordability

Homeownership is the fulfillment of the American Dream, and is the traditional starting point for American families to accumulate wealth. Homeownership provides shelter and security to families, and fosters involvement in community life, as well as participation in democratic institutions. Homeownership provides important social as well as economic benefits. It is the cornerstone of a healthy community and the basis for positive community involvement.

For homeowners, the value of their homes – the largest investment most of them will make in their lifetimes – creates an incentive to stay abreast of local government actions. Owning a home gives people greater reason to care, and that makes a huge difference.

Making Housing Affordable

Despite good economic growth in Silicon Valley, our housing market remains in trouble. The housing market's failure, driven by troubles with subprime loans, cannot continue, as it is contributing to our overall economic recession. Homeownership and affordable housing are also particularly difficult in the Silicon Valley region, where real estate prices are among the highest in the nation.

In December 2007, Congress passed and the President signed a comprehensive response to our country's mortgage and housing crisis. [The American Housing Rescue and Foreclosure Prevention Act](#) (H.R. 3221), will help families facing foreclosure keep their homes, protect other families from foreclosure in the future, and enable the recovery of communities harmed by empty homes caught in the foreclosure process. Additionally, the bill will help significant numbers of hard-working American families in danger of losing their home refinance into lower-cost government-issued mortgages they can afford to repay, at no cost to the American taxpayer. I was proud to vote in favor of H.R. 3221, as it will have a unique impact on our district.

More recently, in May 2009, Congress passed and President Obama signed both the Helping Families Save Their Homes Act and the Fraud Enforcement and Recovery Act. The Helping Families Save Their Homes Act (S.896) builds on the president's housing initiative, to provide significant incentives to lenders, servicers, and homeowners to work together to modify loans and to avoid foreclosures. The Fraud Enforcement and Recovery Act fights mortgage and corporate fraud and creates a commission to investigate the cause of the financial crisis. The bill gives the Justice Department additional tools to fight fraud in the use of TARP and recovery

funds, including extending federal fraud laws (including making false statements, mail and wire fraud, and financial institution fraud) to apply to mortgage lending businesses, making it a federal crime for government contractors to defraud the government of funds, nearly doubling the FBI's 'Mortgage, Financial Fraud Program,' and increasing support for prosecution of fraud cases.

As a member of the House Appropriations Committee, I have also worked with my colleagues to advocate for federal dollars to organizations such as the [Housing Trust of Santa Clara County](#), which provides gap financing to developers of affordable multi-family rental units, emergency shelters, transitional housing, and housing for special needs populations. The Housing Trust also created the First-Time Homebuyer Assistance Program to give workers better opportunities to buy their first home. Programs such as these are essential for first-time homebuyers who would not otherwise be able to buy a home and help people put down roots, spend more time in family activities, and be more involved in their children's lives, their schools, churches, and civic activities.

Federal Housing Programs

The goal of federal housing policy is "a decent home in a suitable living environment for every American family." However, federal spending has always fallen short in this arena. In the past, subsidized housing units have been concentrated in poor neighborhoods, actually raising their poverty rates. In the last decade, federal housing policies have put greater emphasis on creating healthy mixed-income communities and assisting poor families who want to move to private housing in low-poverty communities. When crumbling housing projects are replaced with mixed-income developments, the total pool of units available for the poorest families may shrink. Attempts to construct new subsidized housing in non-poor communities are often vehemently opposed.

Despite this unmet need, for the FY2009 budget, President Bush proposed severe cuts to funding for vital programs administered by the U.S. Department of Housing and Urban Development each year. These programs include the [Section 8 Housing Choice Voucher Program](#), [Community Development Block Grant Program](#) (CDBG), housing for the [elderly](#) and [disabled](#) and the [HOPE VI program](#).

. In my capacity as a new member of the Appropriations Committee, I have advocated for

funding levels significantly above the President Bush's request for these important federal housing programs.

With the election of President Obama, Congress has a friend in the White House who recognizes the importance of increasing homeownership, supporting community development and increasing access to affordable housing free from discrimination. For the FY2010 budget, President Obama requested a \$3.7 billion increase for the U.S. Department of Housing and Urban Development (HUD) from President Bush's FY2009 budget request. Of particular interest, President Obama's budget request reforms the Community Development Block Grant (CDBG) formula to better target distressed communities and promote the development of "Sustainable Communities."

Section 8 Housing Choice Voucher Program

The [Section 8 Housing Choice Voucher Program](#) provides safe, affordable housing to approximately two million American families. In both urban areas and rural communities, Section 8 vouchers provide assistance to families in every state across our country. These vouchers are often the only resource for low-income families facing our nation's affordable housing crisis. I am a staunch supporter of programs such as Section 8 and other Public Housing programs that provide safe and affordable places to live.